

Financial Aid News

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Online resources for aid administrators

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Higher Education
Coordinating Board

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Issue 23 — March 27, 2003

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SNG program requests fund deobligations

The Higher Education Coordinating Board sent a request to aid administrators this week for State Need Grant (SNG) fund deobligations. This allows the Board to recapture SNG funds from institutions that will not be able to disburse them by June 30. The recaptured funds will be recommitted to other institutions with unserved students.

If you wish to deobligate any SNG funds, including any funds set aside for TRIO students, notify Chris Leeper at chrisl@hecb.wa.gov by April 4.

The Board does not expect to recapture a large amount of SNG funds from this deobligation process. Nevertheless, staff will recommit whatever monies become available shortly after the April 4 cutoff. If you do **not** wish to be considered for supplemental funds, send Chris an e-mail.

April 4 is last day to request SNG payments for transfer students

The Board must receive SNG payment requests for eligible transfer students by April 4. After that date, the transfer fund will be closed. If you are unable to send your transfer requests by April 4 or you need more information, contact Chris Leeper at chrisl@hecb.wa.gov.

2003-04 state financial aid workshops scheduled for May

The Board will offer its annual State Student Financial Aid Workshops this May. These workshops cover 2003-04 updates and provide basic training on State Need Grant, State Work Study, Educational Opportunity Grant, and some of the smaller aid programs.

We look forward to seeing you at one of the following locations:

- **Yakima** — Thursday, May 15 — Yakima Valley Community College
- **Spokane** — Friday, May 16 — Whitworth College
- **Seattle** — Wednesday, May 21 — North Seattle Community College
- **Centralia** — Thursday, May 22 — Centralia College

Watch your e-mail for more information about meeting rooms, parking, and other details. If you have questions, contact Colleen Scovill at colleens@hecb.wa.gov or (360) 753-7850.

HECB hosts the second in a series of planned SNG policy discussions

The Board hosted the second of several planned State Need Grant (SNG) policy discussions on March 26. These discussions gather aid administrators and other stakeholders to address SNG implementation issues. The March 26 meeting focused on three areas:

- The State Need Grant program's limit to 125% of program length;
- The program's limit to one associates degree within a five-year period; and
- The use of 15 credits to determine State Need Grant award amounts.

In addition to Board staff, individuals at the meeting included: Agnes Canedo, Cynthia Flynn, Clara Capron, Kay Lewis, Marla Skelley, and Wayne Sparks (public four-year institutions); Carla Idohl-Corwin, Karen Driscoll, Sally Zeiger Hanson, and Suzanne Scheldt (community/technical colleges); Ron Noborikawa and Violet Boyer (independent colleges and universities); Gena Wikstrom, Terri Odell, and Venetta Miller (private career schools and colleges); and Jim Crawford (Office of Financial Management).

The policy discussion group will meet again in May for further conversation on the issues raised yesterday, as well as revisions in the State Need Grant

model to recognize summer quarter and documentation requirements for awarding the dependent care allowance.

The group will discuss the basis for establishing grant amounts at a meeting planned for July.

HECB hears testimony on 2004 Master Plan tuition and financial aid discussion paper

At its March 26 meeting, the Higher Education Coordinating Board heard testimony from several aid officers and other stakeholders on a tuition and financial aid white paper. The paper, prepared by Board staff, provides a framework for discussion in preparation for the development of the 2004 Master Plan for Higher Education.

State statute charges the Board to develop a Master Plan — a comprehensive plan for higher education in Washington — every four years. The next plan must be submitted to the Legislature in January 2004.

The following were among those testifying before the Board on March 26: Kay Lewis — University of Washington, Bruce DeFrates — Eastern Washington University, Janet Danley — Washington State University, Agnes Canedo — Central Washington University, Marla Skelley — The Evergreen State College, Clara Capron — Western Washington University, Violet Boyer — Washington Association of Independent Colleges and Universities, Rhonda Coats — State Board for Community and Technical Colleges, and Gena Wikstrom — Washington Federation of Private Career Schools and Colleges.

You can read the paper online at the Board's Web site: [HECB March 2003 meeting materials](#).

Legislative update

Revenue forecast plunges another \$238 million, leaving budget writers less to work with, more to deal with

With only about a month to go in the regular legislative session, budget writers in both houses are dealing with a shortfall that is even greater than expected. The economic forecast released on March 19 showed the state will collect \$238.3 million less revenue during the next biennium — raising the overall budget shortfall to about \$2.6 billion.

Several factors are contributing to the decline in revenue, including concerns about the war with Iraq, soaring fuel prices, and a weak state and national economy. According to Chang Mook Sohn, the state's chief economist and a member of the Higher Education Coordinating Board, declining state lottery revenue is also a significant part of the problem. Since the state joined the

multi-state Mega Millions game, projections for earnings on the state's own lottery games have declined about \$55 million.

Faced with this shrinking pie, lawmakers have to come up with a spending plan for state government for the next two years before they can adjourn this year. Traditionally, the House releases a budget first, followed by the Senate. However, the House has made no announcement about when it will release a budget. A House delay opens the possibility that the Senate may release its budget first this year.

Gov. Locke submitted his 2003-05 spending plan to the Legislature on Dec. 17. The legislative session is scheduled to end April 27, although the governor may call lawmakers into special session after that time.

Bills moving forward

March 19 was the last day that either house could consider most of its own bills. (Bills concerning the budget or the implementation of the budget are exempt from the cutoff.) Many of the bills that we've been tracking passed their houses of origin before the cutoff and are still moving forward, including:

- **Educational Opportunity Grant and Washington Promise Scholarship** — Engrossed Senate Bill 5676 and Substitute House Bill 1731 change key provisions in the Educational Opportunity Grant (EOG) program by allowing applications from students in all 39 counties and permitting grants at UW and WSU branch campuses. ESB 5676 now also includes provisions for allowing some GED recipients to qualify for the Promise Scholarship.
- **Financial aid carry-forward** — Second Substitute House Bill 1123 permits the state to carry forward unspent financial aid from one fiscal year to the next.
- **Financial aid refunds** — House Bill 2113 permits four-year public institutions to adopt tuition refund policies that reduce aid recipients' liability in the repayment of federal aid.
- **Tuition surcharges for excess credits** — Engrossed Second Substitute Senate Bill 5135 requires that students with an excess of 125 percent of the credits required for graduation pay the full cost of instruction.
- **Supplemental grants for students with dependents** — Engrossed Substitute House Bill 1277 creates a new grant program for needy students with dependents. Private sources would fund the program. (It's companion, Senate Bill 5660, did not make the cutoff.)
- **Resident tuition for undocumented students** — Engrossed House Bill 1079 authorizes resident tuition for certain undocumented students living

in Washington. (A similar Senate proposal, Substitute Senate Bill 5158, did not make the cutoff.)

- **TANF and WorkFirst** — House Bill 2041 allows full-time students earning full work study awards to count as full-time WorkFirst participants.
- **Tuition waiver proposals** — Substitute Senate Bill 5189 exempts Korean War veterans from tuition increases. Substitute House Bill 1486 exempts surviving spouses and children of law enforcement officers and firefighters from paying tuition and fees. And Substitute House Bill 2089 creates a new veterans tuition statute to replace existing law.

The full list of bills still in play this session is included in the chart at the end of this newsletter.

Bills that did not make the cutoff

The following are among the bills not passed by their houses of origin before the March 19 cutoff.

- **Washington Promise Scholarship** — Lawmakers did not approve two proposed changes to the Promise program. Substitute Senate Bill 5138 would have allowed students to qualify by meeting high school WASL standards. Substitute House Bill 1706 would have included some student recipients who didn't meet the academic requirements of the program, but instead had "overcome personal or financial barriers." However, the provisions of Senate Bill 5864 — allowing some GED recipients to qualify for the scholarship — were attached by amendment to Engrossed Senate Bill 5676. ESB 5676, which also includes changes to the Educational Opportunity Grant program, remains in play.
- **Conditional scholarships for teachers** — House Bill 1763 would have created a new conditional scholarship for prospective teachers of mathematics, science, technology, special education, or bilingual education.

After the full House or Senate approves one of its own bills, it refers the legislation to the appropriate committee in the opposite house for further consideration.

The next cutoff is April 4, when committees must complete their work on bills from the opposite house. (Again, bills pertaining to the budget are exempt from the cutoff.) The last day for floor votes on bills from the opposite house is April 18.

For more information about legislation, contact us at (360) 753-7850.

Legislative hearings on bills of interest — March 28 – April 4

Friday, March 28, 2003

House Higher Education Committee, 8 a.m., House Hearing Room D

Public Hearing, including:

- E2SSB 5135 - Creating tuition surcharges for students with excessive credits
- ESB 5676 - Revising provisions of the Educational Opportunity Grant and Promise Scholarship programs

Monday, March 31, 2003

Senate Higher Education Committee, 1:30 p.m., Senate Hearing Room 3

Public Hearing, including:

- HB 2113 – Tuition refunds for federal aid recipients
- ESHB 2089 – Veterans tuition waiver provisions

Tuesday, April 1, 2003

House Higher Education Committee, 10 a.m., House Hearing Room D

Public Hearing, including:

- ESSB 5448 – Institutional tuition-setting authority

Online resources for tracking and analyzing legislation

Full text of bills and supporting materials:

<http://www.leg.wa.gov/wsladm/bills.cfm>

Complete legislative hearing schedule:

<http://www.leg.wa.gov/wsladm/calendar.cfm>

Live and archived Web broadcast of all hearings:

<http://www.tvw.org>

HECB 2003 legislative session site:

<http://www.hecb.wa.gov/Leg/index.asp>

Active bills of interest by subject

Bills that did not meet the March 19 cutoff have been deleted. For current information about the status of a bill, visit the Washington State Legislature's Web site: <http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill numbers Senate House	Sponsors	Description	Passed house of origin	Passed opposite house	Signed by governor
Educational Opportunity Grant and Washington Promise Scholarship					
ESB 5676	Kohl-Welles	Changes elements of the Educational Opportunity Grant program; financially needy placebound residents from all of the state's 39 counties may be eligible; recipients could attend branch campuses; HECB establishes grant amounts As amended, allows some recipients of GED certificates to be eligible for Promise scholarships; recipients must meet family income criteria, be 21 years old or younger at time of application, and achieve an SAT composite score of at least 1200 or an ACT composite score of at least 27 on their first attempt	✓		
SHB 1731	Kenney, Cox	Changes elements of the Educational Opportunity Grant program; financially needy placebound residents from all of the state's 39 counties may be eligible; recipients could attend branch campuses; grant amounts capped at \$2,500	✓		
Financial aid carry-forward					
2SHB 1123	Kenney, Cox	Ensures that unspent financial aid funds at the end of a fiscal year are preserved for financial aid purposes through the creation of a dedicated account	✓		
Financial aid refunds					
HB 2113	Morrell, Cox	Permits four-year public institutions to adopt tuition refund policies that reduce aid recipients' liability in required repayments of federal aid	✓		

Active bills of interest by subject — continued

Bills that did not meet the March 19 cutoff have been deleted. For current information about the status of a bill, visit the Washington State Legislature's Web site: <http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill numbers Senate House	Sponsors	Description	Passed house of origin	Passed opposite house	Signed by governor
Other financial aid and tuition waiver proposals					
SSB 5189	Benton	Exempts veterans of the Korean conflict (active duty from 1950-55) from tuition increases	✓		
ESHB 1277	Kenney, Cox	Companion bills create a supplemental educational assistance grant program for State Need Grant eligible students with dependents; private sources would fund the program	✓		
SHB 1486	O'Brien	Exempts the surviving spouses and children of certain law enforcement officers or firefighters from paying tuition and fees	✓		
ESHB 2089	McCoy, Wallace	Creates a new veterans tuition statute to replace existing law; as amended, permits waivers for veterans of wars and, under some circumstances, for their children and spouses	✓		
Higher Education Coordinating Board					
ESHB 2076	Kenney, Cox, Fromhold	Replaces Board's current mandate to develop a state master plan for higher education every four years with new guidelines to develop a strategic plan for higher education; authorizes a joint legislative committee to examine and make recommendations for changing or reassigning Board program responsibilities	✓		

Active bills of interest by subject — continued

Bills that did not meet the March 19 cutoff have been deleted. For current information about the status of a bill, visit the Washington State Legislature's Web site: <http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill numbers Senate House	Sponsors	Description	Passed house of origin	Passed opposite house	Signed by governor
TANF and WorkFirst related proposals					
HB 2041	Kenney, Boldt	Allows students enrolled in a postsecondary program and earning their full federal or state work study awards to count as full-time WorkFirst participants for up to 24 months	✓		
Tuition and residency					
E2SSB 5135	Carlson, Kohl-Welles	Requires students with an excess of 125 percent of the credits required for a degree or certificate to pay tuition equivalent to the full cost of instruction	✓		
EHB 1079	Kenney, Cox	Authorizes resident tuition for certain undocumented students residing in Washington; student must have attended at least three years of high school in the state; similar, though not a companion to SSB 5158	✓		
ESSB 5448	Carlson, Kohl-Welles	Extends institutional tuition-setting authority for all but resident undergraduates through 2008-09; existing authority expires June 30, 2003	✓		
Other higher education proposals					
SB 5902	Kohl-Welles	Creates state income tax for individuals with incomes of \$500,000 or more, families with incomes of \$1 million or more; revenue is earmarked for K-12 and higher education			
SHB 2111	Priest, Jarrett	As amended, provides for a legislative study of the feasibility of performance contracts between the state and institutions of higher education	✓		